

SECTION VI--BUDGET AND APPROPRIATIONS

BUDGET AND APPROPRIATIONS

The budget is the master financial plan of the municipality, showing the proposed cost for each function of activity and the proposed means of financing them. The budget should not be thought of merely as a means of determining the amount to be raised by tax levy to supplement other revenues.

The budget should be comprehensive, covering all proposed expenditures and all anticipated receipts and revenues, regardless of source. Expenditure estimates should be in sufficient detail to show the need for the appropriations requested, and cover all items, whether for ordinary operations or capital outlay. Revenue estimates should be made with due consideration for possible failure to realize the full amount anticipated, and thereby avoid the possibility of revenue deficits during the fiscal year.

In addition to being required by statute (SDCL 9-21-2), the necessity of preparation and use of a budget cannot be overemphasized.

The annual budgetary process involves three steps: preparation, adoption and execution. The preparation phase of the budgetary process is a responsibility of the auditor or finance officer and is accomplished by the correlation of financial data produced by the accounting system and the projected program requirements of the various functions and activities for which a particular municipality may have responsibility. The provisional budget is presented to the governing body for consideration, possible modification and final enactment, not later than the first meeting in September, or within ten days thereafter (SDCL 9-21-2).

BUDGET PREPARATION

The degree of detail necessary to provide adequate control over expenditures will vary from municipality to municipality and, accordingly, the chart of accounts (Section II) has been developed to provide for varying degrees of control. At a minimum, however, each municipality shall specify functions and sub-functions when preparing the budget.

It is not necessary to appropriate revenue to be expended from an enterprise or trust and agency fund if the fund is not supported or subsidized by taxes. However, the budget(s) for Enterprise Funds should be prepared prior to preparation of the General Fund budget because transfers of profits generated by Enterprise Funds may be considered as anticipated revenue to the General Fund.

Budgets for all funds should contain essentially the same detail, that is, actual revenue and expenditures for the prior year, current year budget, revenue and expenditures to date for the current year and the budget for the next fiscal year. Anticipated revenue should be shown by minor source and type for each fund. Expenditures should be shown in each fund's supporting detail by function, subfunction, activity and object.

Examples of how the proposed budgets might look for the Liquor Fund, Water Fund and General Fund of a municipality are shown at Illustration 1, 2 and 4, respectively. The supporting detail for each department of the General Fund should comprehend the information shown at Illustration 3.

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A narrative should accompany the budget for each fund to explain material variances and other pertinent facts. This will provide the governing body with the information to analyze budget requests effectively, make changes and expedite the approval of the budget.

In preparing the annual estimate of expenses as provided by SDCL 9-22-23, the auditor or finance officer may include in the budget a line item for contingencies. The line item shall be included in the annual budget adopted pursuant to SDCL 9-21-2 and shall not exceed five percent of the total municipal budget. No expenditures shall be charged to this item but such appropriated amount may be transferred, by resolution of the municipal governing body, to any other appropriation in which insufficient amounts were provided or for items for which no appropriation was provided. (SDCL 9-21-6.1)

APPROPRIATION ORDINANCE (ADOPTION)

When approved by the governing body, the expenditures incorporated in the budget become legally binding appropriations, and the actual expenditures of the government's operating agencies must be made in strict conformity therewith.

An example of the form which should be used for the appropriation ordinance is shown at Illustration 5.

BUDGET EXECUTION

After the budget has been prepared and adopted, and as the new fiscal year begins, the execution phase of the budgetary process comes into being. Budgetary accounts are set up to record the estimated revenues and appropriations in the fund accounts.

The appropriations included in the annual budget constitutes maximum authorizations to spend during the fiscal year (SDCL 9-21-9), and cannot be exceeded except by subsequent amendment of the budget by the governing body pursuant to SDCL 9-21-7.

Appropriations which are unspent at the end of a fiscal year lapse unless encumbered by resolution of the governing body. The auditor or finance officer is required to keep a detailed listing by payee and amount supporting all such encumbrances shown in the resolution. (SDCL 9-21-24.1)

If the governing board of any municipality authorizes lawful expenditures from any specific fund for the use or benefit of another municipal department or political subdivision or expenditures to be reimbursed by insurance claims, the reimbursement for such expenditures shall be restored to the fund from which originally withdrawn and the deposit of the same shall restore the budget of such fund in the amount of the reimbursement. (SDCL 9-21-9.2)

SUPPLEMENTAL APPROPRIATIONS

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In the event that the annual appropriation ordinance failed to provide for any budgetary category necessary to conduct the indispensable functions of government, or to discharge any duty which it is the lawful duty of the municipality to discharge, which requires the incurring of liabilities or expenditures, the governing board of the municipality may adopt a supplemental appropriation ordinance to provide for such purposes. The supplemental appropriation ordinance shall set out in detail each item for which the supplemental appropriation is made and the amount appropriated. The adoption of these supplemental appropriation ordinances shall be governed by the same laws pertaining to the adoption of the annual appropriation ordinance. (SDCL 9-21-7) A sample supplemental appropriation ordinance is shown in Illustration 6.

READING, PASSAGE AND PUBLICATION OF ORDINANCES

The title of all ordinances shall be read twice with at least five days intervening between the first and second reading. The ordinance shall be signed by the mayor or acting mayor or president of the board of trustees, filed with the auditor or clerk, and published once; twenty days after the completed publication of such notice, unless the referendum shall have been invoked, such ordinance shall become effective. (SDCL 9-19-7)

Summary and Time Table:

Scheduled times for completion of the steps in the budgeting process should be approximately as follows:

July 31	Estimate costs and determine means of finance
August 31	Prepare proposed budget ordinance draft
No later than regular board meeting in September or within ten days thereafter	Introduce annual appropriation ordinance and first reading of ordinance (SDCL 9-21-2)
At least five days after first reading of appropriation ordinance	Second reading of annual appropriation ordinance, adoption of budget, and publication of adopted budget (SDCL 9-19-7)
Prior to October 1	Report levy to county auditor (SDCL 10-12-7)
No later than December 31	If not already included in adopted budget, develop and publish budget for enterprise or applicable trust and agency funds. (SDCL 9-21-2)

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ILLUSTRATION 1

BUDGET WORKSHEET FOR ESTIMATED REVENUE AND EXPENDITURES LIQUOR FUND BUDGET 20X2

Acct. No.		Actual Revenue 20X0	Estimated Revenue for 20X1	Revenue 1-1-X1 thru 6-30-X1	Estimated Revenue for 20X2
---		-----	-----	-----	-----
---	Estimated Unencumbered Cash Balance	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
	Revenue:				
380.11	On-Sale Liquor Sales	23,401.83	25,000.00	10,775.04	35,000.00
380.12	Off-Sale Liquor Sales	59,502.26	65,000.00	26,353.16	70,000.00
380.21	On-Sale Wine Sales				
380.22	Off-Sale Wine Sales				
380.31	On-Sale Beer Sales				
380.32	Off-Sale Beer Sales	12,550.25	13,500.00	5,783.54	15,000.00
380.4	Other Sales			243.70	1,000.00
380.5	Lottery Sales				
380.8	Operating Agreements	18,777.92	19,000.00	9,946.41	19,000.00
380.9	Other	2,535.08	2,600.00	1,890.71	5,000.00
		-----	-----	-----	-----
---	Total Balance and Revenue	116,767.34	125,100.00	54,992.56	145,000.00
---		-----	-----	-----	-----
		Actual Expenditures 20X0	Budgeted Expenditures 20X1	Expenditures 1-1-X1 thru 6-30-X1	Expenditures Budget 20X2
		-----	-----	-----	-----
---	Expenditures:				
426.21	On-Sale Liquor	46,056.44	50,000.00	23,039.26	53,500.00
426.22	Off-Sale Liquor	23,550.15	25,000.00	12,000.00	30,000.00
426.23	On-Sale Wine				
426.24	Off-Sale Wine				
426.25	On-Sale Beer	9,010.04	9,500.00	4,136.29	15,000.00
426.26	Off-Sale Beer			27.05	1,500.00
426.27	Lottery Tickets				
426.29	Other Materials for Resale				
		-----	-----	-----	-----
---	Total Merchandise for Resale	78,616.63	84,500.00	39,203.10	100,000.00
---		-----	-----	-----	-----
411	Salaries and Wages	10,211.37	11,000.00	4,988.58	12,400.00
412	OASI	453.2	528.00	241.56	100.00
414	Workmen's Compensation	67.37	80.00	241.56	95.00
415	Group Insurance	412.39	460.00	278.16	500.00
		-----	-----	-----	-----
---	Total Personal Services	11,144.34	12,068.00	5,508.30	13,095.00
---		-----	-----	-----	-----
421	Insurance				
423	Publishing			47.97	

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425	Repairs and Maintenance	167.05	250.00	51.85	500.00
426.1	Supplies	454.83	1,000.00	204.86	3,700.00
428	Utilities	1,277.87	1,500.00	704.97	1,800.00
429	Other	2,843.80	6,000.00	2,120.16	9,000.00
---		-----	-----	-----	-----
	Total Other Current Expense	4,743.55	8,750.00	3,129.81	15,000.00
---		-----	-----	-----	-----
	Total Expenditures	94,504.52	105,318.00	47,841.21	128,095.00
---		-----	-----	-----	-----
	Excess (deficit) Cash	22,262.82	19,782.00	7,151.35	16,905.00
	Transfers to General Fund	20,000.00	18,000.00	6,000.00	15,000.00
---		-----	-----	-----	-----
	Cash Retained	\$ 2,262.82	\$ 1,782.00	\$ 1,151.35	\$ 1,905.00
		=====	=====	=====	=====

OPTING OUT OF THE TAX LIMITATION

Opting out - Requires a two-thirds vote of the governing body on or before July 15th. Decision to opt out must be published within ten days of decision. That decision may be referred upon a petition signed by at least five percent of the registered voters in the taxing district and filed with the governing body within twenty days of the publication. Election to be held on or before October 1st. (SDCL 10-12-43)

IMPORTANT - - SB 182 has passed the 2002 legislature and has been signed by the Governor. This becomes law July 1, 2002. What this law does is - any opt out passed July 1, 2002 or after must specify in the resolution the year or number of years the excess tax levy will be applied. It also has certain requirements concerning the publication of the opt out resolution.

If an opt out resolution was passed prior to July 1, 2002 the taxing district does not have to opt out again unless they need to exceed that limitation.

In the first year of the opt out, the amount for which the board opted out is the amount above the tax limitation that the auditor will levy on the tax rolls.

In subsequent years, the taxing entity has up to that opt out amount to use. If the entity decides to use less of the opt out amount or none at all, in years following, that opt out amount is still accessible by the taxing entity.

Example: City A opts out for \$100,000. That year the county auditor will levy \$100,000 above the tax limitation for that city. The next year, the city only needs \$30,000 above the limitation. They will request that amount as the opt out amount. County auditor will check to make sure it is within the opt out amount. The following year, the city needs \$55,000 above the tax limitation. The city DOES NOT need to opt out again. As long as they do not exceed \$100,000 above the tax limitation, they do not need to opt out and the county auditor shall levy any such amount requested. If they need more than the \$100,000, it will take an opt out resolution.

If a municipality, opts out of the tax limitation, they need to send to the County Auditor a copy of the "opt out" resolution along with copies of the minutes of the meeting at which the opt out took place. IF the opt out is referred to a vote, the finance officer of the

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taxing district must certify the outcome of the election to the County Auditor. Copy of opt out resolution is shown as Illustration 7.

The calculation of growth, CPI and the opt out amount is as follows:

The CPI for taxes payable in 2003 is 2.8%

Example: Township receives \$500 in tax.

The following year they can receive the \$500 + growth + CPI. ($\$500 + 1.6\% \text{ growth} + 2.8\% \text{ CPI} = \522)

Township now needs to gravel some roads and needs a total of \$1,000 for the coming year. Therefore, township opts out of the limitation in the amount of \$478 ($1,000 - 522$)

The following year the township's limit is figured as:

$\$522 + \text{growth} + \text{CPI} = \text{new base plus } \$478 \text{ (opt out amount) OR}$

$\$522 + 0\% + 2.8\% = \$537 + \$477 = \$1,014 \text{ (amount may receive from taxes)}$

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Opting out of the tax limitation measure - To opt out, means the taxing entity needs more monies from property taxes than they are allowed by the limitation. The limitation allows for taxes payable in 1997 and each year thereafter to increase over taxes payable in the preceding year by the CPI and growth. The CPI to be used for taxes payable in 2003 is 2.8%. Total increase allowed would be 2.8% plus percent increase due to growth. (EX: Growth in 2003 = 3.5% of the 2002 valuations. $2.8\% \text{ (CPI)} + 3.5\% \text{ (Growth)} = 6.3\%$ which tax request may increase). Remember - final growth numbers are not available from County Auditor until AFTER Department of Revenue certifies values to them - this is at the end of August.

NOTE: Regardless of the percent increase allowed or opt out amount, taxing entities, CANNOT exceed statute levy limitations.

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ILLUSTRATION 2

BUDGET WORKSHEET FOR ESTIMATED REVENUE AND EXPENSES WATER FUND BUDGET 20X2

Acct. No.		Actual Revenue 20X0	Estimated Revenue for 20X1	Revenue 1-1-X1 thru 6-30-X1	Estimated Revenue for 20X2
---	---	-----	-----	-----	-----
---	Cash Balance, January 1	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
---	Revenue:				
381.1	Metered and Flat Rate				
	Water Sales	13,307.52	20,000.00	7,706.19	28,000.00
381.2	Bulk Water Sales	94.36	100.00	95.10	100.00
381.9	Other	2,397.90	100.00	50.00	100.00
---	---	-----	-----	-----	-----
---	Total Balance and Revenue	15,799.78	20,200.00	7,851.29	28,200.00
---	---	-----	-----	-----	-----
		Actual Expenditures 20X0	Budgeted Expenditures 20X1	Expenditures 1-1-X1 thru 6-30-X1	Expenditures Budget 20X2
---	---	-----	-----	-----	-----
---	Expenses:				
433.1	Source of Supply:				
	425 Repairs and Maintenance	1,855.00	1,500.00	1,607.90	2,400.00
---	---	-----	-----	-----	-----
433.2	Power and Pumping:				
	428 Utilities	1,664.76	1,500.00	889.26	2,100.00
---	---	-----	-----	-----	-----
433.3	Purification:				
	426 Supplies and Materials	46.00	50.00	23.00	100.00
---	---	-----	-----	-----	-----
433.4	Distribution:				
	424 Rentals	11.00			
	425 Repairs and Maintenance	7,247.23	6,500.00	2,305.28	8,000.00
	426 Supplies and Materials	4,509.22	3,000.00	1,312.52	6,000.00
---	---	-----	-----	-----	-----
---	Total Distribution	11,767.45	9,500.00	3,617.80	14,000.00
---	---	-----	-----	-----	-----
433.5	Administration and General:				
	411 Salaries and Wages	5,280.00	5,500.00	2,811.07	7,100.00
	412 OASI	292.79	264.00	134.12	400.00
	414 Workmen's Compensation	68.21	70.00		95.00
	415 Group Insurance	164.47	200.00	96.09	100.00
	421 Insurance	39.12	40.00		

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426 Supplies and Materials	161.00	150.00	45.10	400.00
428 Utilities	748.88	1,000.00	705.79	1,000.00
---	-----	-----	-----	-----
Total Administration and General	6,754.47	7,224.00	3,792.17	9,095.00
---	-----	-----	-----	-----
Total Expenses	22,087.68	19,774.00	9,930.13	27,695.00
---	-----	-----	-----	-----
Excess (Deficit) Cash	(6,287.90)	426.00	(2,078.84)	405.00
Transferred (to/from) General Fund	6,287.90		2,078.84	
---	-----	-----	-----	-----
Cash Balance Retained	\$ 0.00	\$ 426.00	\$ 0.00	\$ 405.00
	=====	=====	=====	=====

ILLUSTRATION 3

BUDGET WORKSHEET OF EXPENDITURES BY DEPARTMENT AND OBJECT

NAME OF MUNICIPALITY CITY COUNCIL 411.1 20X2

	Actual Expenditures Prior Year	Budget for Current Year	Current Year Budget Expended	Budget for Next Year
---	-----	-----	-----	-----
410 Personal Services:				
411 Salaries and Wages	\$ 2,005.95	\$ 2,700.00	\$ 945.00	\$ 3,600.00
412 OASI	100.29	100.00	61.68	200.00
413 Retirement				
414 Workmen's Compensation				
415 Group Insurance	192.24	200.00	96.12	200.00
---	-----	-----	-----	-----
Total Personal Services	2,298.48	3,000.00	1,102.80	4,000.00
---	-----	-----	-----	-----
420 Other Current Expenditures:				
421 Insurance				
422 Professional Services and Fees	511.50	400.00		500.00
423 Publishing				
424 Rentals				
425 Repairs and Maintenance				
426 Supplies and Materials				
427 Travel and Conference	73.91	100.00		100.00
428 Utilities				

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429 Other			96.03	

Total Other Current Expenditures	585.41	500.00	96.03	600.00

430 Capital Assets:				
431 Land				
432 Building				
433 Improvements Other Than Buildings				
434 Machinery and Equipment				

Total Capital Assets				

Totals	\$ 2,883.89	\$ 3,500.00	\$ 1,198.83	4 4,600.00
	=====	=====	=====	=====

ILLUSTRATION 4

BUDGET WORKSHEET OF EXPENDITURES BY FUNCTION AND ACTIVITY

NAME OF MUNICIPALITY GENERAL FUND BUDGET 20X2 EXPENDITURE BUDGET

Function	Activity	Actual Expenditures 20x0	Budget for 20x1	Expenditures 1-1-X1 6-30-X1	Budget for 20X2
-----	-----	-----	-----	-----	-----

411	Legislative				
	411.1 Board, Council or Commission	\$ 2,883.89	\$ 3,500.00	\$ 1,198.83	\$ 4,600.00
	411.3 Ordinances, Resolutions and Proceedings	4,347.37	6,000.00	2,186.61	
	411.5 Contingency	407.11	500.00	20.00	600.00
412	Executive				

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	412.1	Mayor	959.70	1,000.00	593.30	1,000.00
	412.2	City Manager	2,385.89	2,000.00		2,875.00
	412.3	Boards & Commissions	12,269.30	12,600.00	6,388.40	13,160.00
414	Financial Administration					
	414.1	Legal (Attorney)	6,213.88	2,500.00	1,006.92	3,130.00
	414.2	Auditor/Clerk or Finance Officer	29.72	40.00	26.20	55.00
	414.3	Treasurer	48.00	50.00	35.00	50.00
	414.4	Personnel Department	19,717.55	25,000.00	6,637.71	75,813.00
	414.5	Civil Service	1,625.02	2,000.00	405.94	3,000.00
	414.7	General Financial Administration	7,401.84	7,500.00	3,751.35	8,000.00
421	Police					
	421.1	Police Administration	237.00	2,600.00	1,261.70	3,000.00
	421.2	Crime Control and Investigations	928.15	350.00	148.86	480.00
422	Fire					
	422.1	Fire Administration	1,672.69	2,400.00	15.00	3,000.00
	422.2	Fire Fighting	7,702.92	14,000.00	5,219.80	20,530.00
451	Recreation					
	451.4	Senior Citizen Activities	1,750.03	7,000.00	146.49	10,045.00
455	Libraries					
	455.1	Library Administration	574.00	600.00	294.54	655.00
	455.2	Circulation	6,382.76			9,000.00

			\$ 77,536.82	\$ 89,640.00	\$ 29,336.65	\$ 158,993.00
			=====	=====	=====	=====

ILLUSTRATION 4

BUDGET WORKSHEET OF GENERAL FUND REVENUE

NAME OF MUNICIPALITY
GENERAL FUND BUDGET
20X2
MEANS OF FINANCE

	Actual Revenue of 20x0	Estimated Revenue for 20x1	Revenue 1-1-X1 thru 6-30-X1	Estimated Revenue for 20X2
---	-----	-----	-----	-----
Revenue				

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320	Licenses and Permits	\$ 2,491.00	\$ 2,300.00	\$ 2,349.00	\$ 2,500.00
330	Intergovernmental Revenue:				
331	Federal Grants				
	331.3 CDBG	6,437.10	7,010.00	3,355.73	8,010.00
335	State Shared Revenue				
	335.3 Liquor Tax Reversion	3,285.60	3,300.00	1,648.47	3,500.00
	335.4 Motor Vehicle Licenses	3,197.65	3,200.00	741.42	3,500.00
	335.6 Fire Insurance Premium Reversion	516.64	500.00	591.84	600.00
338	County Shared Revenue				
	338.1 County Road Tax (25%)	2,684.78	2,700.00	472.75	2,500.00
	338.2 County Highway & Bridge Reserve Tax (25%)	2,132.60	2,200.00	413.96	2,000.00
340	Charges for Goods and Services:				
342	Public Safety				
	342.2 Special Fire Protection Services	534.18	1,030.00	271.18	660.00
345	Health				
	345.2 Animal Control and Shelter Fees	10.00	10.00	0.00	10.00
346	Culture and Recreation				
	346.2 Swimming Pool Fees	2,018.96	2,000.00	0.00	1,900.00
350	Fines and Forfeits:				
351	Court Fines and Costs	523.00	510.00	93.00	150.00
360	Miscellaneous Revenue:				
361	Interest Earned	500.00	500.00	250.00	550.00
363	Special Assessments				
	363.3 Principal Collected by Municipality	1,236.85	400.00	275.58	70,000.00
	363.4 Interest and Penalties Collected by Municipality	241.00	50.00	31.75	1,626.25
390	Other Sources:				
391	Other Financing Sources	15.00	19,300.00	400.00	19,803.75
	Estimated Unencumbered Undesignated Fund Balance 1-1-XX to be used as a Means of Finance	14,314.01	14,230.00	20,990.31	17,000.00
---		-----	-----	-----	-----
Total Means of Finance Excluding General Taxes--Current		40,138.37	59,240.00	31,929.99	134,310.00
	311.1 General Property Taxes--Current Year	34,536.72	32,500.00	15,234.04	39,826.84
---		-----	-----	-----	-----
TOTAL MEANS OF FINANCE		\$ 74,675.09	\$ 91,740.00	\$ 47,164.03	\$ 174,136.84
		=====	=====	=====	=====

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ILLUSTRATION 5

ORDINANCE NO. _____
20____ APPROPRIATION ORDINANCE

Be it ordained by the (city, town) of _____ that the following sums are appropriated to meet the obligations of the municipality.

	General	Special	Main Street Capital Project Fund			Memo
	Fund	Park				Total
	-----	-----	-----	-----	-----	-----
Governmental Funds						
410 General Government						
411 Legislative						
411.5 Contingency						
412 Executive						
413 Elections						
414 Financial Administration						
419 Other						
Total General Government						
 420 Public Safety						
421 Police						
422 Fire						
423 Protective Inspection						
429 Other Inspection						
Total Public Safety						
 430 Public Works						
431 Highways and Streets						
432 Sanitation						
433 Water						
434 Electricity						
435 Airport						
436 Parking Facilities						
437 Cemeteries						
438 Natural Gas						
439 Transit						
Total Public Works						
 440 Health and Welfare						
441 Health						
442 Home Health						
443 Mental Health Centers						
444 Humane Society						
 445 Drug Education						
446 Ambulance						
447 Hospitals, Nursing Homes & Rest Homes						
Total Health and Welfare						
 450 Culture and Recreation						
451 Recreation						
452 Parks						

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455 Libraries
 456 Auditorium
 457 Historical Preservation
 458 Museum
 Total Culture and Recreation

	General	Special	Main Street Capital Project Fund			Memo
	Fund	Park				Total
460 Conservation and Development	-----	-----	-----	-----	-----	-----
463 Urban Redevelopment and Housing						
465 Economic Development and Assistance						
466 Economic Opportunity						
Total Conservation and Development						
470 Debt Service						
471 Principal						
472 Interest						
473.1 Paying Agents' Fees						
Total Debt Service						
480 Intergovernmental Expenditures						
490 Miscellaneous						
491 Judgements and Losses						
499 Liquor						
Total Miscellaneous						
510 Other Financing Uses						
511 Operating Transfer--Out						
610 Fund Equity Uses						
611 Residual Equity Transfers-Out						
Total 20_____ Appropriations	-----					
Capital Outlay Accumulations						
Resolution # _____						
(SDCL 9-21-14.1) (Note 1)	-----					
Accumulation for Capital Replacement						
Reserves - Ordinance # _____						
(SDCL 9-21-31) (Note 1)	-----					
Total Appropriations and Accumulations	=====					
Part II (9-22-1)						
(9-21-19)						
(9-21-20)						

The following designates the fund or funds that money derived from the following sources is applied to.

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Note 1: The amounts shown here should not reflect accumulations to-date nor should it reflect the total to be accumulated. It should only report the amount to be accumulated in the budget year that you are working on.

	General	Special	Main Street Capital Project Fund			Memo
	Fund	Park	Fund			Total
	-----	-----	-----	-----	-----	-----
Governmental Funds						
Undesignated Fund Balance						
(preferred)						
or						
Unobligated Cash Balance						
310 Taxes						
320 Licenses and Permits						
330 Intergovernmental Revenue						
340 Charges for Goods and Services						
350 Fines and Forfeits						
360 Miscellaneous Revenue						
390 Other Sources						
	-----	-----	-----	-----	-----	-----
Total Means of Finance						
	=====	=====	=====	=====	=====	=====

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ILLUSTRATION 5

ORDINANCE NO. _____
20_____ APPROPRIATION ORDINANCE
(continued)

	Liquor Fund	Water Fund	Electric Fund
	-----	-----	-----
Proprietary and Fiduciary Funds			
Beginning Unrestricted Cash	10,000.00	-----	-----
Estimated Revenue	<u>50,000.00</u>	-----	-----
TOTAL AVAILABLE	60,000.00	-----	-----
Less Appropriations (Expenses)	<u>40,000.00</u>	-----	-----
ESTIMATED SURPLUS	20,000.00	-----	-----
Less Depreciation Reserve (SDCL 9-21-12)	0.00	-----	-----
Less Estimated Surplus Retained	<u>10,000.00</u>	-----	-----
ESTIMATED SURPLUS TO BE TRANSFERRED TO GOVERNMENTAL FUNDS	10,000.00	-----	-----
	=====	=====	=====

Part III

The following is a summary of those funds for which spending authority has been approved by the electorate (Debt Service Funds):

Fund	Amount Authorized	Expended To Date	Unexpended Authorization
-----	-----	-----	-----
	-----	-----	-----
Totals	=====	=====	=====

Part IV

The auditor/finance officer is directed to certify the following dollar amount of tax levies made in this ordinance to the County Auditor.

(Signed and Dated by Mayor, acting Mayor, or President of Board of Trustees)

SECTION VI--BUDGET AND APPROPRIATIONS

ILLUSTRATION 6

ORDINANCE NO. _____ SUPPLEMENTAL APPROPRIATIONS ORDINANCE

Be it ordained by the (City, Town) of _____ that the following sum is
supplementally appropriated to meet the obligations of the municipality.

	General Fund

420 Public Safety	
421 Police	
434 Equipment	\$ 32,500

Total Appropriations	\$ 32,500
	=====

Source of Funding

Undesignated Fund Balance	\$ 32,500
	=====

Signed and Dated by the Mayor or President of the Board of Trustees

SECTION VI--BUDGET AND APPROPRIATIONS

ILLUSTRATION 7

RESOLUTION FOR OPT OUT

THE GOVERNING BOARD OF _____ do state that the above said board is unable to operate under the tax limitation measure currently in statute. We therefore OPT OUT of such tax limitation in the amount of \$_____ starting with calendar year _____ taxes payable in the calendar year _____. This opt out will be for _____ years, which will be thru taxes payable in the calendar year _____. This action has been taken by the board and approved by at least a two-thirds vote of the board.

Unless this action is referred to a vote of the people and reversed by such vote, this resolution authorizes the county auditor to spread an excess levy to raise tax dollars in the above stated amount.

Signed _____	Board Chairman
_____	Board Member
_____	Board Member
_____	Board Member
_____	Board Member
_____	Board Member
_____	Board Member
_____	Board Member
_____	Board Member
_____	Board Member